

This English version was translated from Vietnamese

# **FIRE AND SPECIAL PERILS INSURANCE WORDING**

*(The Vietnamese Original version was issued in accordance with the Decision  
No.: 11QD/BH-PAC-13 dated 11.Nov.2013 of Phu Hung Assurance Corporation)*

**Phu Hung Assurance Corporation** - (hereinafter referred to as Phu Hung) agrees (subject to the conditions contained herein or endorsed or otherwise expressed hereon which conditions shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the rights of the Insured to recover hereunder) that if after payment of the First Premium the Property Insured described in the Schedule or any part of such property be lost, destroyed or damaged by any of THE SPECIAL PERILS specified in the Schedule at any time during the Period of Insurance or of any subsequent period in respect of which the Insured shall have paid and Phu Hung shall have accepted the premium required for the renewal of this policy, Phu Hung will pay to the Insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage or at its option will reinstate or replace such property or any part thereof. Provided that:

The liability of Phu Hung shall in no case exceed

- (i) in the whole the total sum insured or in respect of any items its sum insured at the loss destruction or damage.
- (ii) the sum insured remaining after payment for any other loss destruction or damage occurring during the same period of insurance unless Phu Hung shall have agreed to reinstate any such sum insured.

## **I. DEFINITION**

The word "DAMAGE" in capital letters shall mean loss or destruction of or damage to the Property Insured at the Premises.

The word "FIRE" shall mean fire in abnormal conditions that causes loss or damage to the insured property and not a friendly fire which can be controlled and confined for domestic purposes or otherwise.

## **II. PERILS**

### **A. FIRE (whether resulting from explosion or otherwise) excluding**

- (a) earthquake, volcanic eruption or other convulsion of nature
- (b) DAMAGE occasioned by
  - (i) its own spontaneous fermentation or heating, or
  - (ii) its undergoing any process involving the application of heat;
- (c) any DAMAGE occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, prairie, pampas or jungle, and the clearing of lands by fire.

### **LIGHTNING**

Only DAMAGE caused directly by lighting to the property insured (whether deformed or damaged by fire)

## **EXPLOSION**

- (a) of boilers
- or
- (b) of gas

used for domestic purposes only but excluding DAMAGE caused by earthquake, volcanic eruption or other convulsion of nature.

## **B. EXPLOSION**

### **excluding DAMAGE**

- (a) to boilers, economizers, or other vessels, machinery or apparatus in which pressure is used or to their contents resulting from their explosion,
- (b) occasioned by or through or in consequence, directly or indirectly, of acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.

For the purpose of this exclusion “terrorism” means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

## **C. AIRCRAFT and other aerial devices and/or articles dropped therefrom.**

## **D. RIOT, STRIKERS, LOCKED-OUT WORKERS: DAMAGE directly caused by:**

- (a) the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not);
- (b) the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimising the consequences of any such disturbance;
- (c) the willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out;
- (d) the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

### **excluding**

1. DAMAGE occasioned through or in consequence, directly or indirectly, of
  - (a) acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization;

For the purpose of this exclusion "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of public in fear.

- (b) civil commotion assuming the proportions of or amounting to a popular uprising;
  - (c) the malicious act of any person (whether or not such act is committed in the course of disturbance of the public peace) not being the willful act of any rioter striker or locked-out worker in furtherance of a riot or strike or in resistance to a lock-out;
2. (a) loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever;
- (b) DAMAGE resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
  - (c) DAMAGE occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
  - (d) DAMAGE occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building;

Provided nevertheless that Phu Hung is not relieved under 2 (c) or (d) above of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary dispossession.

**E. MALICIOUS DAMAGE:**

DAMAGE to the Property Insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) other than DAMAGE arising out of theft or any attempt thereat.

The cover provided under this Peril is subject to the cover under Peril D being in force and to the application of the exclusions under that Peril other than 1(c).

**F. EARTHQUAKE OR VOLCANIC ERUPTION** including flood and overflow of the sea occasioned thereby.

**G. STORM AND TEMPEST**

**excluding DAMAGE**

- (i) caused by
  - the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam or any water tanks apparatus or pipes
  - inundation from the sea whether resulting from storm or otherwise

- (ii) caused by frost, subsidence or landslip
- (iii) to awnings, blinds, signs or other outdoor fixtures and fittings, gates and fences and moveable property in the open
- (iv) to Premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against storm or tempest
- (v) by water or rain other than by water or rain entering the building through openings made in its fabric by the direct force of the storm or tempest

#### **H. STORM, TEMPEST AND FLOOD**

##### **excluding DAMAGE**

- (i) caused by frost, subsidence or landslip
- (ii) to awnings, blinds, signs or other outdoor fixtures and fittings, gates and fences and moveable property in the open
- (iii) to Premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against storm or tempest
- (iv) by rain except rain entering the building through openings made in its fabric by direct force of the storm or tempest
- (v) resulting from the escape of water from any tank apparatus or pipe

#### **I. ESCAPE OF WATER FROM ANY TANK, APPARATUS OR PIPES, excluding**

- (i) DAMAGE by water discharged or leaking from an installation of automatic sprinklers
- (ii) DAMAGE in respect of any building which is empty or not in use

#### **J. IMPACT BY ANY ROAD VEHICLE OR ANIMAL** no belonging to or under the control of the Insured or any occupier of the Premises or their respective employees

### **III. GENERAL EXCLUSIONS TO THE PERILS**

This policy does not cover:

#### **1. DAMAGE**

- (a) occasioned by
  - (i) riot, civil commotion, strikers or locked-out workers unless Peril D is specified in the Schedule and then only to the extent stated,

- (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war,
  - (iii) mutiny, military or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege,
- (b) to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
- (i) any nuclear weapons material
  - (ii) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion "combustion" shall include any self-sustaining process of nuclear fission.
- (c) to any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by over-running, excessive pressure, short circuiting, self heating, arcing or leakage of electricity arising from whatever cause (lightning included).

PROVIDED that this exclusion shall only apply to the particular machine, apparatus or portion of electrical installation so affected, and not to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus or other electrical installation.

- (d) caused by pollution or contamination except (unless otherwise excluded) DAMAGE to the Property Insured caused by
- (i) pollution or contamination which itself results from a Peril hereby insured against
  - (ii) any Peril hereby insured against which itself results from pollution or contamination.
2. (a) Goods held in trust or on commission, bullion or unset precious stones, money (coined or paper), cheques, securities, obligations, stamps, documents, manuscripts, business books, computer system records, patterns, models, moulds, plans, drawings, or designs, explosives, unless specially mentioned as insured by this policy;
- (b) DAMAGE to property which, at the time of happening of such DAMAGE, is insured by, or would, but for the existence of this Policy, be insured by any marine policy or policies, except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

3. Consequential loss or damage of any kind or description except loss of rent when such loss is included in the cover under the Policy.

#### **IV. DEDUCTIBLES**

This policy does not cover the amounts of the deductibles specified in the schedule in respect of each and every loss at each separate location as ascertained after the application of the Average Condition (Underinsurance) and all other terms conditions and provisions of this policy.

Warranted that during the currency of the policy the Insured shall not effect insurance in respect of the amounts of the deductibles in the schedule.

#### **V. GENERAL PROVISION**

##### **CONTRACTING PURCHASER'S INTEREST:**

If at the time of DAMAGE the Insured shall have contracted to sell the interest of the Insured in any building hereby insured and the purchase shall not have been but shall be thereafter completed, the purchaser on completion of the purchase (if and so far as the property is not otherwise insured against such DAMAGE by the purchaser or on behalf of the purchaser) shall be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Insured or Phu Hung until completion.

#### **VI. GENERAL CONDITIONS**

##### **1. Identification**

This Policy and the Schedule and Specification (which form an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule or Specification shall bear such specific meanings wherever they may appear.

##### **2. Policy voidable**

This Policy shall be voidable by Phu Hung in the event of misrepresentation, misdescription or non-disclosure in any material particular by the Insured.

##### **3. Alteration and Removals**

Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any DAMAGE, has obtained the sanction of Phu Hung signified by endorsement upon the Policy, by or on behalf of Phu Hung:

- (a) if the trade or manufacture carried on is altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of DAMAGE by any of the perils insured;
- (b) if any of the buildings insured or containing the property insured become unoccupied and so remain for a period of more than 30 days;

- (c) if the Property Insured is removed to any building or place other than that in which it is herein stated to be insured;
- (d) if the interest in the Property Insured passes from the Insured otherwise than by will or operation of law.

#### **4. Cancellation**

This Policy may be terminated at any time at the request of the Insured, in which case Phu Hung will retain the customary short period rate for the time the Policy has been in force. This Policy may also be terminated at any time at the option of Phu Hung, on notice to that effect being given to the Insured, in which case Phu Hung shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

#### **5. Warranties**

Every warranty to which the Property Insured or any item thereof is, or may be made, subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this policy, and non-compliance with any such warranty shall be a bar to any claim in renewed a claim in respect of DAMAGE occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before commencement of such period.

#### **6. Reasonable Precautions**

The Insured shall maintain the Property Insured in a proper state of repair and shall take all reasonable precaution to prevent DAMAGE thereto.

### **VII. CLAIMS CONDITIONS**

#### **1. Action by the Insured**

If any event giving rise to or likely to give rise to a claim under this Policy comes to his knowledge the Insured shall

- (a) immediately
  - (i) take steps to minimize the loss or damage and recover any missing property
  - (ii) give notice in writing to Phu Hung and
  - (iii) give notice to the police in the event of deliberate or malicious damage
- (b) within 30 days or such further time as Phu Hung may in writing allow deliver to Phu Hung
  - (i) a claim in writing for the loss or damage containing as particular an account as may be reasonably practical of all the several articles or items of property lost or damaged and the amount of loss or damage thereto respectively, having regard to their value at the time of the loss or damage



- (ii) particulars of all other insurances if any

The Insured shall at all times at his own expense produce, procure and give to Phu Hung all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the loss or damage and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of liability of Phu Hung as may be reasonably required by or on behalf of Phu Hung together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

## **2. Forfeiture**

- (a) All benefit under the Policy shall be forfeited if any claim made is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain benefit under this Policy or if any DAMAGE is caused by the willful act or with the connivance of the Insured.
- (b) Benefit under the Policy shall also be forfeited in respect of any claim
  - (i) made and rejected if an action or suit be not commenced within twelve months after such rejection,  
  
or
  - (ii) where arbitration takes place in pursuance of Claims Condition 8 of this Policy and an action or suit be not commenced within twelve months after the arbitrator or arbitrators or umpire shall have made their award.

## **3. Reinstatement**

Phu Hung may at its option, repair or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurers in so doing, but Phu Hung shall not be bound to repair exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall Phu Hung be bound to expend more in repair than it would have cost to repair such property as it was at the time of the occurrence of such loss or damage, nor more than the sum insured thereon.

If Phu Hung so elects to repair or replace any property the Insured shall, at his own expense, furnish Phu Hung with such plans, specifications, measurements, quantities and such other particulars as Phu Hung may require, and no acts done, or caused to be done by Phu Hung with a view to repair or replacement shall be deemed an election by Phu Hung to repair or replace.

If in any case Phu Hung shall be unable to repair or replace the Property Insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, Phu Hung shall, in every such case, only be liable to pay such sums as would be required to repair or replace such property if the same could lawfully be repaired to its former condition.

#### **4. Rights of Phu Hung following a claim**

On the happening of DAMAGE in respect of which a claim is made Phu Hung and any person authorized by Phu Hung may without hereby incurring any liability or diminishing any of Phu Hung's rights under this Policy,

- (a) enter take or keep possession of the Premises where such DAMAGE has occurred
- (b) take possession of or require to be delivered to Phu Hung any Property Insured and deal with such Property for all reasonable purposes in any reasonable manner.

No property may be abandoned to Phu Hung whether taken possession of by Phu Hung or not.

#### **5. Average (Underinsurance)**

If the Property Insured, at the time of any DAMAGE, be collectively of greater value than the sum insured thereon, the Insured shall bear a share of the loss corresponding directly to the proportion of underinsurance. Every item, if more than one, of the policy shall be separately subject to this Condition.

#### **6. Contribution**

If at the time of any DAMAGE there be any other insurance effected by or on behalf of the Insured covering any of the property lost, destroyed or damaged, the liability of Phu Hung hereunder shall be limited to its rateable proportion of such DAMAGE.

If any such other insurance is expressed to cover any of the Property Insured, but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the destruction or damage, the liability of Phu Hung hereunder shall be limited to such proportion of the destruction or damage as the sum hereby insured bears to the value of the property.

#### **7. Subrogation**

Any claimant under this Policy shall at the request and at the expense of Phu Hung do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Phu Hung for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which Phu Hung shall be or would become entitled or subrogated upon its paying or making good any destruction or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by Phu Hung.

#### **8. Arbitration**

If any difference shall arise as to the amount to be paid under this Policy such difference shall be referred to the decision of an arbitrator to be appointed in writing by the parties in difference, or if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators, of whom one shall be

appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator, and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The costs of the reference and of the award shall be in the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.